

**IN THE UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION**

In re:	)	Chapter 7
	)	
HOLLY MARINE TOWING, INC.,	)	Date of Conversion: 3/26/2008
	)	
Debtor.	)	Case No. 07 B 0266
	)	
	)	Hon. Susan Pierson Sonderby
	)	
	)	Courtroom 642

**DEBTOR'S FINAL REPORT AND ACCOUNT**

Respectfully submitted,

Holly Marine Towing, Inc.

Dated: April 23, 2008

By: /s/ Paul M. Bauch  
One of Its Attorneys

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**FINAL REPORT AND ACCOUNT**

**SCHEDULE I – DISPOSITION OF ASSETS**

Asset Description (Scheduled and Unscheduled Property)	Petition/ Unscheduled Value	State and Location of Property (Including Information on Disposal, if Property is Currently Not Property of the Estate)
Citizens Financial Bank Account	\$64,109.80	closed 04/17/08; remaining amount (\$27,775.86) sent to trustee
Citizens Financial Bank (DIP) Account	\$130.00	two checks for \$65.00 each not yet cleared; remaining amount (\$38,195.25) sent to trustee
Royal Savings Bank Account	\$6,173.36	closed 04/17/08; remaining amount (\$1,042.06) sent to trustee
Royal Savings Bank Account	\$949.59	closed 2/1/07; amount transferred to Citizens Financial Bank (DIP) Account
Standard Bank & Trust Account	\$1,761.25	closed 2/1/07; amount transferred to Citizens Financial Bank (DIP) Account
Accounts receivable	\$1,026,019.04	some collected or written off during bankruptcy (approximately \$50,000.00 remaining; owed by Emesco Marine, Kindra Lake Towing, Koch Carbon, Heckett Multiserv & Thatcher Engineering)
Restitution claim against Gary O. Burnham for sinking of Margaret Ann tugboat	\$1,000,000.00	\$750,000.00 restitution order entered on 5/16/07; judgments recorded on Burnham's properties in Indiana
1991 Chevrolet pickup, red	\$1,015.00	sold to K&S Maritime, LLC on 2/21/08
2000 Ford F350 pickup, green	\$6,135.00	sold to Richard Dawson on 10/03/07
2001 Chevrolet S10 pickup, red	\$5,755.00	sold to K&S Maritime, LLC on 2/21/08

Asset Description (Scheduled and Unscheduled Property)	Petition/ Unscheduled Value	State and Location of Property (Including Information on Disposal, if Property is Currently Not Property of the Estate)
2001 Chevrolet Venture, blue	\$4,070.00	sold to K&S Maritime, LLC on 2/21/08
Barge: HMT 101	\$475,000.00	sold to Sunflower Enterprises, LLC 02/25/08
Barge: HMT 102	\$475,000.00	sold to Sunflower Enterprises, LLC 02/25/08
Barge: HMT 2	\$70,000.00	sold to Kindra Lake Towing, L.P. on 2/26/08
Barge: HMT 201	\$1,200,000.00	sold to Canal Barge Company, Inc. on 2/20/08
Barge: HMT 3	\$60,000.00	sold to Sunflower Enterprises, LLC 02/25/08
Barge: HMT 4	\$60,000.00	sold to Kindra Lake Towing, L.P. on 2/26/08
Barge: HMT 5	\$120,000.00	sold to Sunflower Enterprises, LLC 02/25/08
Barge: HMT 7	\$50,000.00	sold to K&S Maritime, LLC on 2/21/08
Barge: HMT 8	\$75,000.00	sold to Kindra Lake Towing, L.P. on 2/26/08
New Mexico	\$5,000.00	sold to Will County Generator 04/25/07
Tug: Chris Ann	\$380,000.00	sold to K&S Maritime, LLC on 2/21/08
Tug: Holly Ann	\$485,000.00	sold to F.H. Partners, L.P. on 2/27/08
Tug: Katie Ann	\$976,000.00	sold to Sunflower Enterprises, LLC 02/25/08
Tug: Margaret Ann	\$450,000.00	sold to K&S Maritime, LLC on 2/21/08
Tug: Mary Ann	\$200,000.00	sold to Sunflower Enterprises, LLC 02/25/08
Miscellaneous office furniture	\$2,000.00	currently stored in store front; received offer for \$660.00 from Worldwide Office Furniture
Xerox machine	\$1,500.00	sold to Sunflower Enterprises, LLC 02/25/08
Crane: American	\$50,000.00	sold to Sunflower Enterprises, LLC 02/25/08
Crane: American	\$8,000.00	sold to Sunflower Enterprises, LLC 02/25/08
Endloader: Clark	\$21,323.00	sold to Sunflower Enterprises, LLC 02/25/08
John Deere bobcat	\$5,000.00	sold to Sunflower Enterprises, LLC 02/25/08
MCM Marine crane mats	\$25,506.00	sold to Sunflower Enterprises, LLC 02/25/08
winches	\$13,000.00	sold to Sunflower Enterprises, LLC 02/25/08
Amounts owed by Beemsterboer	\$6,824.50	offset (charges for fleeting traded for shifting)
Amounts owed by Illinois Marine Towing	\$39,301.70	outstanding

Asset Description (Scheduled and Unscheduled Property)	Petition/ Unscheduled Value	State and Location of Property (Including Information on Disposal, if Property is Currently Not Property of the Estate)
Amounts owed by Lafarge	\$128,894.11	Settled claim (07 A 145) for \$36,700.00 – held in Bauch & Michaels, LLC's client trust fund account; \$4,442.50 disbursed to Bauch & Michaels for first fee app; \$6,237.50 owed to Bauch & Michaels, LLC for second fee app; \$1,509 to be disbursed to estate for post-petition amounts owed by Lafarge
prepaid insurance	\$13,575.60	insurance obtained during bankruptcy
scrap metal	\$100,000.00	propellers (worth about \$10,000) being held by Metal Management Midwest, Inc., 9331 S. Ewing Ave., Chicago, IL 60617  other scrap metal located at 9320 S. Ewing Ave., Chicago, IL 60617
torch rack	\$500.00	sold to Sunflower Enterprises, LLC 02/25/08
ladders	\$500.00	sold to Sunflower Enterprises, LLC 02/25/08
fire extinguishers	\$100.00	sold to Sunflower Enterprises, LLC 02/25/08
trash pump suction hoses	\$100.00	sold to Sunflower Enterprises, LLC 02/25/08
rigging rack	\$100.00	sold to Sunflower Enterprises, LLC 02/25/08
barge covers for HMT 101 and 102	\$10,000.00	sold to Sunflower Enterprises, LLC 02/25/08
Conex containers #1-7	\$3,500.00	sold to Sunflower Enterprises, LLC 02/25/08
drill press	\$100.00	sold to Sunflower Enterprises, LLC 02/25/08
e-z-go cart	\$500.00	sold to Sunflower Enterprises, LLC 02/25/08
Hyster fork truck	\$1,000.00	sold to Sunflower Enterprises, LLC 02/25/08
skid steer trailer	\$250.00	sold to Sunflower Enterprises, LLC 02/25/08
assorted ladders, pumps and extinguishers	\$250.00	sold to Sunflower Enterprises, LLC 02/25/08
spool of line	\$100.00	sold to Sunflower Enterprises, LLC 02/25/08
spool of cable	\$50.00	sold to Sunflower Enterprises, LLC 02/25/08
shackles and connectors	\$250.00	sold to Sunflower Enterprises, LLC 02/25/08
weed whacker	\$50.00	sold to Sunflower Enterprises, LLC 02/25/08
welding machine with torch rack on front	\$500.00	sold to Sunflower Enterprises, LLC 02/25/08
welder #2	\$500.00	sold to Sunflower Enterprises, LLC 02/25/08

Asset Description (Scheduled and Unscheduled Property)	Petition/ Unscheduled Value	State and Location of Property (Including Information on Disposal, if Property is Currently Not Property of the Estate)
welding rod	\$100.00	sold to Sunflower Enterprises, LLC 02/25/08
any other shore equipment, including miscellaneous equipment, tools, parts and personal property (excluding automobiles, office and computer equipment, and telephones located in and about 9320 S. Ewing Ave. in Chicago, Illinois)	\$1,000.00	sold to Sunflower Enterprises, LLC 02/25/08
three computers	\$500.00	delivered to trustee 04/15/08
telephone number (773) 375-8660	\$1,000.00	\$1,000 offer from Kindra Lake Towing, L.P. received
facsimile number (773) 375- 7422	\$500.00	number being used at 13029 S. Baltimore Ave., Chicago, Illinois 60633
contract with Army Corps of Engineers	\$1.00	ACOE terminated contract for cause 03/31/08
American Commercial Barge Line LLC port services agreement dated August 31, 2006	\$1.00	\$1,000 offer from K&S Maritime, LLC received
Atlantic Painting Co., Inc. contract dated March 20, 2007	\$0.00	terminated
Barnhart Crane and Rigging Co. contract dated July 2007	\$0.00	terminated (job complete)
Crown Corr Inc. subcontractor agreement dated September 5, 2007	\$0.00	terminated (job complete)
Emesco Marine Services Corporation transportation agreement dated February 15, 2006	\$1.00	\$1,000 offer from K&S Maritime, LLC received

Asset Description (Scheduled and Unscheduled Property)	Petition/ Unscheduled Value	State and Location of Property (Including Information on Disposal, if Property is Currently Not Property of the Estate)
F.H. Paschen, S.N. Nielsen & Associates, LLC contract dated March 28, 2007	\$0.00	terminated (job complete)
James McHugh Construction Co. contract dated August 23, 2007	\$0.00	terminated
Melrose Pyrotechnics, Inc. contract dated January 1, 2007	\$1.00	\$1,000 offer from K&S Maritime, LLC received
PB Americas, Inc. (Parsons, Brinckerhoff) contract dated September 17, 2007	\$0.00	terminated (job complete)
Pepper Construction Company subcontract agreement dated June 20, 2007	\$1.00	\$1,000 offer from K&S Maritime, LLC received
claim against U.S. Steel for unpaid invoices	\$17,037.50	Case No. 07 A 186 pending
claim against Hendricks Marine Towing, LLC and Gould & Ratner LLP for return of bid deposit	\$310,000.00	outstanding
claim against Glenn Dawson for usurpation of corporate opportunity	\$1,000,000.00	Case No. 07 A 1031 pending
claim against Glenn Dawson & Richard Dawson for fraudulent transfers	\$2,000,000.00	Case No. 07 A 1268 pending

Case No. 07-00266

In re: HOLLY MARINE TOWING, INC.,

**SCHEDULE II – POST-PETITION CREDITORS**

Name and Address	Type (Administrative, Superpriority, etc.)	Amount Due
AIRGAS North Central 3300 Butler Ave. S. Chicago Heights, IL 60411	Administrative	\$1,318.64
Anderson Brothers & Johnson P.O. Box 26 Wausau, WI 54402-0026 (Previously listed as Michael's Materials)	Administrative	\$113,247.04
AT&T P.O. Box 9001309 Louisville, KY 40290-1309 (Account # 0301952042001)	Administrative	\$406.82
Bauch & Michaels, LLC c/o Paul M. Bauch 53 W. Jackson Blvd., Suite 1115 Chicago, IL 60604 (plus additional amounts from final fee application not yet filed)	Administrative	\$253,942.62
Bell, Boyd & Lloyd LLP c/o Harley J. Goldstein 70 W. Madison St., Suite 3100 Chicago, IL 60602 (plus additional amounts from final fee application not yet filed)	Administrative	\$47,075.14
CIT Technology Fin. Service, Inc. c/o One Deerwood 10201 Centurion Pkwy N - Suite 100 Jacksonville, FL 32256	Administrative	\$945.71
City of Chicago Department of Water Management P.O. Box 6330 Chicago, IL 60680-6330 (Account #575078-575078)	Administrative	\$17.02
ComEd Bill Payment Center Chicago, IL 60668-0001 (Account # 0549538016)	Administrative	\$629.67

Name and Address	Type (Administrative, Superpriority, etc.)	Amount Due
ComEd Bill Payment Center Chicago, IL 60668-0001 (Account # 9286646016 - amount unknown; bills are for other buildings at landlord's property)	Administrative	\$1.00
ComEd Bill Payment Center Chicago, IL 60668-0001 (Account # 9286647004 - amount unknown; bills are for other buildings at landlord's property)	Administrative	\$1.00
Department of Treasury/Internal Revenue Service c/o Brian Press, Esq. 200 West Adams - Suite 2300 Chicago, IL 60606 (claim is likely to be less than this amount)	Administrative	\$32,591.45
Dufour, Laskey & Strouse, Inc. 3939 N Causeway Blvd, Suite 300 Metairie, LA 70002	Administrative	\$1,005.50
FedEx P.O. Box 94515 Palatine, IL 60094 (Invoice #257192439; 258448564; & 262365130)	Administrative	\$53.35
General Capital Partners, LLC David Ford 600 Seventeenth St. Suite 2350 South Denver, CO 80202	Administrative	\$176,142.77
Godwin Pumps of America, Inc. 16830 Chicago Ave. Lansing, IL 60438-1121	Administrative	\$26.64
Indiana Port Commission 150 W. Market St., Suite 100 Indianapolis, IN 46204	Administrative	\$80.00
Kindra Lake Towing, L.P. 3321 Pomeroy Road Downers Grove, IL 60515 (Invoice #28-1004 & 28-1013)	Administrative	\$16,796.40
Dustin Lhotka 6216 S. Kostner Ave. Chicago, IL 60629 (claim for injury to thumb 11/14/07)	Administrative	\$1.00



Name and Address	Type (Administrative, Superpriority, etc.)	Amount Due
Robert Lund 6537 Newburg Road Rockford, IL 61108  2907 Highcrest Rd. Rockford, IL 61107  (disputed claim for July 2007 health insurance reimbursement – already received health insurance under union agreement)	Administrative	\$500.00
Marwedel, Minichello & Reeb, P.C. c/o Warren J. Marwedel 10 S. Riverside Plaza, Suite 720 Chicago, IL 60606 (claim subject to court approval of pending fee application)	Administrative	\$9,826.88
Mt. Carmel Stabilization Group, Inc. c/o Eileen M. Sethna Querrey & Harrow, Ltd. 175 W. Jackson Blvd., Suite 1600 Chicago, Illinois 60604 (amount of rent claim to be determined by Bankruptcy Court)	Administrative	\$1.00
Nextel P.O. Box 541023 Los Angeles, CA 90054-1023 (Account # 47700514)	Administrative	\$3,094.91
Parker Sales Co., Inc. 10038 S. Ewing Avenue Chicago, IL 60617 (Invoices 95331 & 95339 for supplies taken by Newt Marine)	Administrative	\$399.90
Patten Industries, Inc. 635 West Lake Street Elmhurst, IL 60126 (Account # 5185420)	Administrative	\$1,982.78
Peoples Gas 130 E. Randolph Drive Chicago, IL 60687-0001 (Account # 7500042909945)	Administrative	\$1,381.09
Peoples Gas 130 E. Randolph Drive Chicago, IL 60601 (amount credited to Account # 4500005263731)	N/A	-\$127.94

Name and Address	Type (Administrative, Superpriority, etc.)	Amount Due
Scouler & Company, LLC 445 Park Ave., 10th Floor New York, NY 10022	Administrative	\$24,094.88
Thatcher Foundations, Inc. 7100 Industrial Highway Gary, IN 46406	Administrative	\$12,316.00
United States Trustee U.S. Trustee Payment Center P.O. Box 70937 Charlotte, NC 28272-0937 (1st Q 2008 fee)	Administrative	\$4,875.00
	<b>Total</b>	<b>\$702,626.27</b>

Case No. 07-00266

In re: HOLLY MARINE TOWING, INC.,

**SCHEDULE III – POST-PETITION PAYMENTS TO PROFESSIONALS**

Name and Address of Professional	Amount Paid Post-Petition	Retainer
Bauch & Michaels, LLC c/o Paul M. Bauch 53 W. Jackson Blvd., Suite 1115 Chicago, IL 60604	\$69,442.50	\$20,000.00
Bell, Boyd & Lloyd LLP c/o Harley J. Goldstein 70 W. Madison St., Suite 3100 Chicago, IL 60602	\$65,000.00	\$0.00
Feeley & Associates, P.C. 161 N. Clark St., Suite 4700 Chicago, IL 60601	\$1,000.00	\$1,000.00
General Capital Partners, LLC David Ford 600 Seventeenth St. Suite 2350 South Denver, CO 80202	\$10,000.00	\$0.00
Koutek & Associates, P.C. 930 York Rd. Hinsdale, IL 60521	\$2,790.00	\$0.00
Marwedel, Minichello & Reeb, P.C. c/o Warren J. Marwedel 10 S. Riverside Plaza, Suite 720 Chicago, IL 60606	\$7,138.23	\$0.00
Scouler & Company, LLC 445 Park Ave., 10th Floor New York, NY 10022	\$0.00	\$0.00
<b>Total</b>	<b>\$155,370.73</b>	<b>\$21,000.00</b>

**SCHEDULE IV – POST-PETITION RECEIPTS & DISBURSEMENTS (SEE MONTHLY OPERATING REPORTS FOR DETAIL)**

Month	Receipts	Disbursements
January 2007	164,055.92	146,573.06
February 2007	174,519.40	172,336.92
March 2007	174,210.54	168,019.14
April 2007	183,843.47	190,187.19
May 2007	256,422.57	234,961.25
June 2007	364,696.12	372,795.08
July 2007	413,782.71	392,910.71
August 2007	574,134.53	577,158.96
September 2007	417,253.41	382,382.38
October 2007	337,893.09	380,407.36
November 2007	439,220.14	445,683.90
December 2007	454,232.37	435,403.41
January 2008	294,127.07	302,961.90
February 2008	264,603.37	268,956.89
March 2008	137,485.06	91,797.35
April 2008	25,586.09	0.00
<b><i>Total</i></b>	<b>\$4,650,479.77</b>	<b>\$4,562,535.50</b>

I, Holly Headland, President, declare under penalty of perjury that I have fully read and understood the foregoing Final Report and Account and that the information contained herein is true and complete to the best of my knowledge.

Date: \_\_\_\_\_

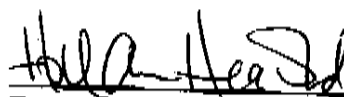
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Principal for Debtor-In-Possession

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I, Holly Headland, President, declare under penalty of perjury that I have fully read and understood the foregoing Final Report and Account and that the information contained herein is true and complete to the best of my knowledge.

Date: 04-22-08



Principal for Debtor-In-Possession